

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

1847 SUBSEA ENGINEERING LIMITED
(the "Company")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 ("the Act"), the Directors of the Company propose that the following Resolution is passed as a Special resolution as if passed by the Company in General Meeting, namely:

SPECIAL RESOLUTION

1. THAT, the draft regulations attached and initialled by a director for identification purposes be adopted as the articles of association of the Company to the exclusion of and in substitution for the existing articles of association of the Company.

Circulation date: 22 MARCH..... 2016

Registered office: 1847 Subsea Engineering Limited, 12-16 Albyn Place, Aberdeen, AB10 1PS.

Agreement to written resolutions

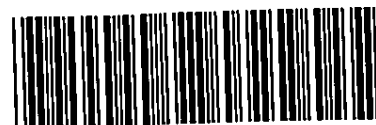
I, the undersigned, being the sole person entitled to vote on the above Resolution, irrevocably agree to the Resolution:

Mr R J Knox

Richard John Knox

22/03/2016
Date

TUESDAY



SCT *S557K7ZV* #120
19/04/2016
COMPANIES HOUSE

1847 SUBSEA ENGINEERING LIMITED

WRITTEN RESOLUTIONS: CIRCULATED ON 22 MARCH 2016

Note: This document is important and requires your immediate attention.

Please read the explanatory statement to members before signifying your agreement to the Resolution in this document.

EXPLANATORY STATEMENT TO MEMBERS

1. NATURE OF WRITTEN RESOLUTIONS

This document contains proposed written resolutions of 1847 Subsea Engineering Limited (Company) for approval by you as a member of the Company. The Resolution is proposed as a special resolution and requires members holding not less than 75 per cent of the total voting rights of members entitled to vote on such a resolution to vote in favour of it to be passed.

2. PERIOD TO APPROVE THE WRITTEN RESOLUTION

If the Company has not received the necessary level of members' agreement to pass the Resolution by the date falling 28 days after the date the Resolution was first circulated to members, the Resolution will lapse.

3. ACTION REQUIRED IF YOU WISH TO APPROVE THE RESOLUTION

Please signify your agreement to the Resolution by signing and dating the document on the relevant line and returning it to the Company by delivering your signed and dated document by hand or by post to the Company's registered address marked "For the attention of the Company Secretary".

Once you have signified your agreement to the Resolution, you cannot revoke it. Please ensure that your agreement reaches us no later than the close of business on the date falling 28 days after the date the Resolution was first circulated to members.

4. ACTION REQUIRED IF YOU DO NOT WISH TO AGREE TO THE RESOLUTION

You do not have to do anything. Failure to respond will not be treated as agreement to the Resolution.

Rk

Company No. SC403020

**ARTICLES OF ASSOCIATION
OF
1847 SUBSEA ENGINEERING LIMITED**

Adopted by special resolution passed on 22 MARCH..... 2016.

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

**1847 SUBSEA ENGINEERING LIMITED (Company Number
SC403020) (the "Company")**

(Adopted by special resolution passed on

22 MARCH 2016)

1. EXCLUSION OF THE MODEL ARTICLES

None of the regulations contained in the Companies (Model Articles) Regulations 2008 apply to the Company and these Articles alone are the articles of association of the Company.

2. INTERPRETATION

2.1 In these Articles, the following words have the following meanings:

Accountants: Walton Kilgour, Chartered Accountants, 2 Marshall Place, Perth PH2 8AH, or such other firm of accountants as may be appointed by the Company from time to time;

Act: the Companies Act 2006;

Appointor: has the meaning given in Article 12;

Articles: the Company's articles of association for the time being in force;

B Ordinary Share: a B ordinary share of £0.0005 in the capital of the Company;

Bad Leaver: any Leaver or Ordinary Share Leaver who becomes a Leaver or Ordinary Share Leaver in circumstances where he is not a Good Leaver;

Board: the board of Directors as constituted from time to time;

Business Day: a day other than a Saturday, Sunday or public holiday in Scotland when banks in Aberdeen are open for business;

Control: in relation to a body corporate, the power of a person to secure that its affairs are conducted in accordance with the wishes of that person:-

- (a) by means of the holding of shares or the possession of voting power in or in relation to that or any other body corporate; or

- (b) by virtue of any powers conferred by the articles of association or any other document regulating that or any other body corporate,

and, in relation to a partnership, means the right to a share of more than one-half the assets, or of more than one-half of the income, of the partnership; and a "Change of Control" shall occur if a person who Controls any company or undertaking ceases to do so, or if another person acquires control of it;

Deemed Transfer Notice: a Transfer Notice that is deemed to have been served under any provision of these Articles;

Directors: the Company's directors from time to time;

Eligible Director: (i) an Eligible X Director; or (ii) an Eligible Y Director;

Eligible X Director: the X Director when entitled to vote on the matter at a meeting of Directors (but excluding the X Director when his vote is not to be counted in respect of the particular matter);

Eligible Y Director: the Y Director when entitled to vote on the matter at a meeting of Directors (but excluding the Y Director when his vote is not to be counted in respect of the particular matter);

Family Trust: in relation to a Holder of Ordinary Shares, a trust set up wholly for the benefit of that Holder of Ordinary Shares and/or that Holder of Ordinary Shares' Privileged Relations;

Founder: Richard John Knox, one of the Shareholders of the Company as at the date of adoption of these Articles, or his executors;

Founder Consent: means the consent or approval of the Founder (for so long as the Founder or a Family Trust in relation to the Founder or a Privileged Relation of the Founder is the holder of any Shares), or his executors, in writing;

Good Leaver: any Leaver or Ordinary Share Leaver who becomes a Leaver or Ordinary Share Leaver by reason of:

- (a) death (other than by suicide or reckless act or omission);
- (b) permanent disability or permanent incapacity through ill health, as certified by a duly qualified medical practitioner or as otherwise evidenced to the satisfaction of the Board;
- (c) redundancy;
- (d) unfair dismissal as determined by a court or tribunal;
- (e) retirement after not less than 20 continuous years of service to the Company as an employee and/or Director,

or is otherwise deemed to be a Good Leaver by a unanimous decision of the Board;

Holder: in relation to Shares means the person whose name is entered in the register of members of the Company as the holder of the Shares;

Leaver: any Holder of Shares (other than the Founder or Mr Cowman) who is employed by or is a Director of the Company and who ceases to be a Director and/or employee of the Company.;

Market Value: means the price per Share as at the date of the occurrence of the event which triggered the requirement to agree or determine the price per Share (and for the avoidance of doubt in the event such price requires to be calculated as a result of a Shareholder becoming a Leaver or Ordinary Share Leaver, the Market Value shall be the Market Value on the date of cessation of employment) certified in writing by the Valuer as being in its opinion the fair value of the relevant Shares as between a willing seller and a willing buyer provided that the Valuer, in determining the Market Value of any of such Shares shall:

- (a) determine the sum in cash which a willing buyer would offer to a willing seller for the whole of the issued Share capital of the Company;
- (b) divide the resultant figure by the number of issued Shares and outstanding options or rights to acquire Shares to the extent that such options or rights are exercisable or would be exercisable assuming a sale at the price per Share calculated under this procedure (assuming exercise of such options or rights in full and assuming that any Shares which the Company has promised or agreed to allocate have been issued);
- (c) apply an appropriate discount or premium to reflect the fact that the relevant Shares represent a minority or a majority interest in the issued share capital of the Company; and
 - (i) the Valuer shall take into account in relation to determining the appropriate figure any bona fide offer from any third party to purchase any holdings of any Shares; and
 - (ii) in the event of a valuation as a result of a Shareholder being a Leaver or Ordinary Share Leaver, the Valuer shall take into account the impact on the business of the Company as a result of the relevant Shareholder becoming a Leaver or Ordinary Share Leaver;

Mr Cowman: Robert James Cowman, residing, at the date of adoption of these Articles, at 49 St Swithin Street, Aberdeen AB10 6XL;

Ordinary Share: an ordinary share of £0.0005 in the capital of the Company;

Ordinary Share Leaver: the Founder or Mr Cowman when they cease to be a Director and/or employee of the Company.

Permitted Transfer: a transfer of shares made in accordance with Article 30;

Privileged Relation: the spouse of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children and grandchildren);

Sale Shares: has the meaning given in Article 31;

Share: means any share in the capital of the Company irrespective of class;

Shareholder: means a person who is the Holder of a Share;

Transfer Notice: has the meaning given in Article 31;

Transmittee: means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;

Valuer: the Accountants or in the event that they decline an instruction, a firm of chartered accountants agreed between the Vendor and the Board or, in default of agreement within 10 Business Days, appointed by the President of the Institute of Chartered Accountants in Scotland on the application of the Vendor and/or the Board;

X Director: the Founder or, in the event the Founder ceases to act as a Director, the director nominated by the Founder and appointed in his place; and

Y Director: any Director who is not the X Director.

- 2.2 References in these Articles to a document includes, unless otherwise specified, any document sent or supplied in electronic form.
- 2.3 References in these Articles to an “**employee**” shall be deemed to include a reference to a consultant or a contractor (acting directly as an individual or indirectly through another legal entity).
- 2.4 References in these Articles to “**cessation of employment**” shall be deemed to include cessation of services provided as a consultant or contractor (acting directly as an individual or indirectly through another legal entity).
- 2.5 References in these Articles to “**writing**” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.
- 2.6 References in these Articles to Shares being “**paid**” means those Shares being paid or credited as paid.
- 2.7 Unless the context otherwise requires:
- (a) words importing the singular include the plural and vice versa;
 - (b) words importing any gender include all other genders; and
 - (c) words importing natural persons include corporations.
- 2.8 Words or expressions contained in these Articles which are defined in the Act have the same meaning as in the Act in force on the date of adoption of these Articles.
- 2.9 A reference to an Article by number is to the relevant Article of these Articles.
- 2.10 Headings used in these Articles shall not affect their construction or interpretation.

- 2.11 References to any statute or section of a statute shall include reference to any statutory amendment, extension, modification or re-enactment of such statute or section of a statute for the time being in force.

3. LIMITATION OF LIABILITY OF THE SHAREHOLDERS

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

3A. SHARE CAPITAL

- 3A.1 The rights and restrictions attaching to the Shares are as follows:

(a) **Capital:**

On a return of assets on liquidation, reduction of capital or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied and shall belong to and be distributed as follows:

- (i) 99% of such surplus assets remaining shall belong to and shall be distributed amongst the Holders of the Ordinary Shares (who are not Ordinary Share Leavers) and the B Ordinary Shares (who are not Leavers) then in issue pari passu as if the same constituted one class of shares according to the paid up amounts of the Shares respectively held by them; and
- (ii) 1% of such surplus assets remaining shall belong to and shall be distributed equally amongst the Leavers and Ordinary Share Leavers, if any, who still hold Shares at the time of the return of assets.

In the event there are no Leavers or Ordinary Share Leavers at the time of the return of assets, 100% of the surplus assets remaining shall belong and shall be distributed in the manner set out in Article 3A.1(a) (i) above.

(b) **Income:**

The profits of the Company available for distribution shall be applied in the manner and to the extent specified in these Articles. The Holders of the Ordinary Shares (who are not Ordinary Share Leavers) and the B Ordinary Shares (who are not Leavers) shall rank equally with regard to dividends and therefore where a dividend is to be distributed it shall be distributed among the Holders of the Ordinary Shares (who are not Ordinary Share Leavers) and the B Ordinary Shares (who are not Leavers) as if the same constituted one class of shares pro rata according to the amounts paid up or credited as paid up on the Shares held by each Holder.

(c) **Voting:**

Only holders of Ordinary Shares (who are not Ordinary Share Leavers) shall be entitled to vote. Holders of B Ordinary Shares shall have no rights to vote and shall have no right to receive notice of or to attend general meetings of the members of the Company.

4. DIRECTORS' GENERAL AUTHORITY

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

5. SHAREHOLDERS' RESERVE POWER

5.1 The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified actions.

5.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

6. DELEGATION OF POWERS

6.1 Subject to the Articles, the Directors may (with Founder Consent) delegate any of the powers which are conferred on the Directors under the Articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

6.2 If the Directors so specify (with Founder Consent), any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

6.3 The Directors may (with Founder Consent) revoke any delegation in whole or part, or alter its terms and conditions.

7. COMMITTEES

7.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern decision-making by the Directors.

- 7.2 The Directors may (with Founder Consent) make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

8. DECISIONS OF THE DIRECTORS

- 8.1 Subject to Article 8.2 below, any decision of the Directors must be taken at a meeting of the Directors in accordance with these Articles or must be a decision taken in accordance with Article 9 (where the circumstances so require).
- 8.2 If, and for so long as, the Company has only one Director and (unless that one Director is the X Director) with Founder Consent:
- (a) that sole Director may take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making (Articles 8, 9, 10, 11, 13, 15 and 16); and
 - (b) all references in these Articles to "**Directors**" or the "**Board**" (other than in those provisions which govern the decision-making by Directors (Articles 8, 9, 10, 11, 13, 15 and 16) and Directors' interests (Article 14) shall be construed as a reference to that sole Director.
- 8.3 Subject as provided in these Articles, the Directors may participate in Directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The Directors will try to meet no less frequently than on a quarterly basis.
- 8.4 All decisions made at any meeting of the Directors shall be made only by resolution, and no such resolution shall be passed unless the X Director has voted in favour of it (or in the event the X Director is not entitled to vote on the matter, with Founder Consent).
- 8.5 Each Director has one vote at a meeting of the Directors.
- 8.6 If at any time before or at any meeting of the Directors the X Director requests that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other Directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of the Directors may be adjourned pursuant to this Article more than once.

9. UNANIMOUS DECISIONS OF DIRECTORS

- 9.1 A decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 9.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 9.3 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter.

10. CALLING A BOARD MEETING

- 10.1 Any Director may call a meeting of the Board by giving not less than seven days notice of the meeting (or such shorter period of notice as agreed in writing by the X Director) to each Director or by authorising the Company secretary (if any) to give such notice.
- 10.2 Notice of a meeting of the Directors must be accompanied by:
- (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
 - (b) copies of any papers to be discussed at the meeting.
- 10.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of the Directors unless all the Directors present at the meeting agree in writing.

11. QUORUM FOR MEETING OF THE DIRECTORS

- 11.1 The quorum at any meeting of the Directors (including adjourned meetings) shall, for so long as there is more than one Director, be two Directors, of whom (unless this requirement is waived in advance by the X Director) one must be the X Director.
- 11.2 No business shall be conducted at any meeting of the Directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.
- 11.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the purported meeting shall be rescheduled to another time or date as shall be specified by the X Director and notified to the Y Director.

12. ALTERNATE DIRECTORS

12.1 Any Director (other than an alternate director) (the "**Appointor**") may, with the prior written consent of the Founder and Mr Cowman, appoint any person (whether or not a Director) to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the Directors, in the absence of the Appointor. In these Articles, where the context so permits, the term "X Director" or "Y Director" shall include an alternate director appointed by an X Director or a Y Director (as the case may be).

12.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the Directors.

12.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the Director giving the notice.

12.4 An alternate director has the same rights, in relation to any decision of the Directors, as the alternate's Appointor.

12.5 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors.

12.6 A person who is an alternate director but not a Director may, subject to him being an Eligible Director:

- (a) Be counted as participating for the purposes of determining whether a quorum is present at a meeting of Directors (but only if that person's Appointor is an Eligible Director and is not participating); and
- (b) Participate in a unanimous decision of the Directors (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate).

- 12.7 A Director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the Directors.
- 12.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a Director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.
- 12.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:
- (a) when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
 - (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director; or
 - (c) on the death of the alternate's Appointor; or
 - (d) when the alternate director's Appointor ceases to be a Director for whatever reason.

13. CHAIRING OF DIRECTORS' MEETINGS

The post of chairman of the Board will be held (for so long as the X Director wishes to hold such post) by the X Director. The chairman shall have a casting vote in the event there is an equality of votes for and against a proposal. If the X Director is unable to attend any meeting of the Directors (and he waives the requirement for his attendance for quorum purposes in accordance with Article 11.1), he shall be entitled to appoint another Director to act as chairman at the meeting.

14. DIRECTORS' INTERESTS

- 14.1 Unless Articles 14.2 or 14.3 apply, if a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 14.2 If any of the following apply, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision making process for quorum and voting purposes:

- (i) the Company by ordinary resolution (with Founder Consent) disapplies a provision of these Articles which would otherwise prevent a Director from being counted as participating in the decision-making process;
- (ii) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (iii) the Director's conflict of interest arises from a permitted cause.

14.3 For the purposes of this Article, the following are "permitted causes":

- (i) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company;
- (ii) subscription, or an agreement to subscribe, for Shares or other securities of the Company, or to underwrite, sub-underwrite, or guarantee subscription for any such Shares or securities; and
- (iii) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company which do not provide special benefits for Directors or former Directors.

14.4 For the purposes of this Article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.

14.5 If a question arises at a meeting of Directors as to the right of a Director (other than the chairman) to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any Director other than the chairman is to be final and conclusive. The chairman (for so long as the chairman is the Founder) can at all times participate in the meeting (or part of the meeting) for voting and quorum purposes.

15. RECORDS OF DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors. Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

16. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to these Articles and the Act, the Directors may (with Founder Consent) make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

17. DIRECTORS MAY CHANGE THE NAME OF THE COMPANY

The Directors may (with Founder Consent) change the name of the Company.

18. APPOINTMENT OF DIRECTORS

18.1 Subject to the provisions of Articles 19(i), 19(iv) and 19(v), for so long as the Founder, or his executors or a Family Trust or Privileged Relation of the Founder, holds any Shares the Founder, or any one of his executors, shall be entitled to be and remain a Director.

18.2 Subject to the provisions of Articles 19(i), 19(iv) and 19(v), for so long as Mr Cowman (a) holds Shares representing not less than 20% of the entire issued Share capital of the Company and (b) is not an Ordinary Share Leaver, Mr Cowman shall be entitled to be and remain a Director.

18.3 Any person who is willing to act as a Director, and is permitted by law to do so may (with Founder Consent) be appointed to be a Director:

- (a) by ordinary resolution; or
- (b) by a decision of the Directors.

18.4 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the Transmitttee(s) of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) has the right, by notice in writing to the Company, to appoint a person who is willing to act as a Director, and is permitted by law to do so, to be a Director, such appointment to take effect when the notice is received by the Company or on such later date (if any) specified in the notice.

18.5 For the purposes of Article 18.4, where two or more Shareholders die in circumstances rendering it uncertain who was the last to die, a younger Shareholder is deemed to have survived an older Shareholder.

19. TERMINATION OF APPOINTMENT OF DIRECTORS

A person ceases to be a Director as soon as:

- (i) that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law; or
- (ii) a bankruptcy order is made against that person; or
- (iii) a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- (iv) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or

mentally incapable of acting as a Director and may remain so for more than three months; or

- (v) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- (vi) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (vii) being an executive Director (but excepting the Founder) he ceases, for whatever reason, to be employed (or engaged) by the Company

20. DIRECTORS' REMUNERATION

- 20.1 Directors may undertake any services for the Company that the Directors (with Founder Consent) decide.
- 20.2 Directors are entitled to such reasonable remuneration as the Directors (with Founder Consent) determine:
 - (a) for their services to the Company as Directors; and
 - (b) for any other service which they undertake for the Company.
- 20.3 Subject to the Articles, a Director's remuneration may:
 - (a) take any form; and
 - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 20.4 Unless the Directors (with Founder Consent) decide otherwise, Directors' remuneration accrues from day to day.
- 20.5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director, except such part of his Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

21. DIRECTORS EXPENSES

The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- (a) meetings of Directors or committees of Directors;
- (b) general meetings; or

(c) separate meetings of the holders of any class of Shares,
or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

22. ALL SHARES TO BE FULLY PAID UP

- 22.1 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- 22.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

23. COMPANY SECRETARY

The Directors may appoint any person who is willing to act as the Company secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement in each case by a decision of the Directors.

24. CHANGES TO THE CAPITAL OF THE COMPANY

Notwithstanding any other provision of these Articles or the Act, any reduction, subdivision, consolidation, redenomination, purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company will require prior Founder Consent.

25. ISSUE AND ALLOTMENT OF NEW SHARES

- 25.1 Save to the extent authorised from time to time by ordinary resolution (and with Founder Consent), the Directors must not exercise any power of the Company to allot Shares or to grant rights to subscribe for, or to convert any security into, Shares ("Relevant Securities").
- 25.2 If authorised by ordinary resolution (with Founder Consent), but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by such ordinary resolution.
- 25.3 Where authorised by ordinary resolution (with Founder Consent), the Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the Holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares.
- 25.4 Any new Relevant Securities shall be offered by the Board for subscription to the Founder and Mr Cowman only, with half of the number of new Relevant Securities

being offered to the Founder and the other half to Mr Cowman, declaring that no new Relevant Securities shall be offered to an Ordinary Share Leaver, therefore if the Founder (or Mr Cowman as the case may be) has become an Ordinary Share Leaver, no new Relevant Securities shall be offered to the Founder (or Mr Cowman as the case may be) and all of the new Relevant Securities shall be offered to Mr Cowman (in the event that the Founder has become an Ordinary Share Leaver) and to the Founder (in the event that Mr Cowman has become an Ordinary Share Leaver). Where neither the Founder nor Mr Cowman has become an Ordinary Share Leaver and the new Relevant Securities are therefore offered to both of them, such offer shall only be capable of acceptance by the Founder and Mr Cowman where both are accepting the offer and each is accepting to purchase the same proportion of the new Relevant Securities.

- 25.5 An offer pursuant to Article 25.4 shall be made by notice to the Founder and Mr Cowman (subject to the declaration contained in Article 25.4) specifying the number and class of the Relevant Securities offered, the price per Relevant Security, and a time (being not less than 14 days) within which the offer, if not accepted, shall be deemed to be declined. At the end of that period or, if earlier, on the receipt of an indication from the Founder and Mr Cowman that they decline to accept some or all of the Relevant Securities so offered, the Board may then offer the new Relevant Securities to a third party (with prior Founder Consent) and, subject to these Articles and the provisions of section 551 of the Act, such Relevant Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms as they think fit. However:
- (a) no Relevant Securities shall be issued at a discount;
 - (b) no Relevant Securities shall be issued more than three months after the end of the period for acceptance of the last offer of such Relevant Securities under Article 25.4 unless the procedure set out in that Article is repeated in respect of such Relevant Securities; and
 - (c) no Relevant Securities shall be issued on terms which are more favourable than those on which they were offered to the Founder and Mr Cowman.
- 25.6 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (within the meaning of section 560 of the Act) by the Company.
- 25.7 If, due to there being an odd number of new Relevant Securities, any difficulty arises in the apportionment of any such new Relevant Securities between the Founder and Mr Cowman, such difficulties shall be determined by the Board (with Founder Consent).

26. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

The Company may recognise in such manner and to such extent as it may in its absolute discretion think fit any trusts in respect of Shares. If the Company does recognise any such trust, it is not bound to see to the execution, administration or observance of any trust (whether express, implied or constructive) in respect of any Shares and shall be entitled to recognise and give effect to the acts and deeds of the Holders of such Shares as if they were the absolute owners of such Shares. In this Article, "trust" includes any right in respect of any Shares other than an absolute right or any other rights in transmission.

27. SHARE CERTIFICATES

27.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

27.2 Every certificate must specify:

- (i) in respect of how many Shares and of what class it is issued;
- (ii) the nominal value of those Shares;
- (iii) the amount paid up on them;
- (iv) any distinguishing numbers assigned to them.

27.3 No certificate may be issued in respect of Shares of more than one class.

27.4 If more than one person holds a Share, only one certificate may be issued in respect of the Share.

27.5 Certificates must:

- (i) have affixed to them the Company's common seal; or
- (ii) be otherwise executed in accordance with the Act.

28. REPLACEMENT SHARE CERTIFICATES

28.1 If a certificate issued in respect of a Shareholder's Shares is:

- (i) damaged or defaced; or
- (ii) said to be lost, stolen or destroyed,

that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

28.2 A Shareholder exercising the right to be issued with such a replacement certificate:

- (i) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (ii) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
- (iii) must comply with such conditions as to evidence and indemnity as the Directors decide.

29. SHARE TRANSFERS

29.1 Shares may, subject to the other provisions of these Articles, be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors (with Founder Consent), which is executed by or on behalf of the transferor.

29.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.

29.3 The Company may retain any instrument of transfer which is registered.

29.4 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.

29.5 The Board shall not register the transfer of any Share or any interest in any Share unless the transfer:

- (i) is permitted by Article 30 (Permitted Transfers); or
- (ii) is made in accordance with Article 31 (Voluntary Transfers) or Article 32 (Mandatory Transfers);

and, in any such case, is not prohibited under Article 33 (Prohibited Transfers).

29.6 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or encumbrance.

29.7 The Directors may refuse to register the transfer of a Share and retain the instrument of transfer if they suspect that the proposed transfer may be fraudulent.

29.8 Save as expressly permitted by these Articles, a Shareholder must not enter into any arrangement where the terms upon which that Shareholder holds any Shares are to be varied if as a result any interest in those Shares is varied, disposed of or created or extinguished.

29.9 Notwithstanding any other provision of these Articles, the Directors must not register a transfer of any Share or any interest in any Share to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

30. PERMITTED TRANSFERS

30.1 Subject to Article 33, a Holder of Ordinary Shares (who is not an Ordinary Share Leaver) may transfer any Share to any person at any time with prior Founder Consent.

30.2 Subject to Article 33 and Article 30.3, any Holder of Ordinary Shares who is an individual may at any time transfer Shares held by him to a person or persons shown to the reasonable satisfaction of the Board (with Founder Consent where such Holder of Ordinary Shares is not the Founder) to be a Privileged Relation of his or to the trustees of a Family Trust in order for the Shares to be held under the Family Trust.

30.3 No transfer of Shares shall be made under Article 30.2 unless the Board (with Founder Consent) has confirmed in writing its satisfaction:

- (i) with the terms of the instruments constituting the relevant Family Trust and in particular with the powers of the trustees including but not limited to the express power to give warranties and indemnities on any disposal of trust property;
- (ii) with the identity of the trustees and the procedures for the appointment and removal of trustees;
- (iii) with the restrictions on changes in the terms of the trust instrument and on distributions by the trustees; and
- (iv) that none of the costs incurred in establishing or maintaining the relevant Family Trust will be payable by the Company.

30.4 Where Shares are held by trustees under a Family Trust:

- (i) those Shares may, on any change of trustees, be transferred by those trustees to any new trustee(s) of that Family Trust whose identity has been approved in writing by the Board with Founder Consent;
- (ii) the trustees may transfer any of the Shares held by them in that capacity to a person who has immediate beneficial interest under the Family Trust; and
- (iii) if such trust ceases to be a Family Trust and if the trustees do not, prior to the trust ceasing to be a Family Trust, transfer all such Shares registered in their name to the relevant Holder of Ordinary Shares or to the trustees of a Family Trust or other Privileged Relation of the relevant Holder of Ordinary Shares, the trustees shall without delay notify the Company that such event has occurred and give a Transfer Notice in respect of those Shares. If the trustees

fail to give such a Transfer Notice, they shall be deemed to have served the Company with a Deemed Transfer Notice in respect of the Shares.

- 30.5 If any person has acquired Shares as a Privileged Relation of a Holder of Ordinary Shares by way of one or more permitted transfers and that person ceases to be a Privileged Relation of that Holder of Ordinary Shares, that person shall forthwith transfer all the Shares then held by that person back to that Holder of Ordinary Shares, for such consideration as they agree, within 28 days of the cessation or, in default of such agreement, at the Market Value (calculated in accordance with these Articles) and if they do not do so within 28 days of the date upon which the person ceases to be a Privileged Relation a Deemed Transfer Notice shall be deemed to be served in respect of such Shares.
- 30.6 Any transfer of any Share pursuant to this Article 30 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such Share, free from any lien, charge or other encumbrance.

31. VOLUNTARY TRANSFERS

- 31.1 Except as expressly permitted under Article 30.1 and Article 30.2, no voluntary transfer of any Shares or of any interest in Shares shall be permitted. Any Shareholder who wishes to transfer any Share or any interest in any Share (a "Vendor") shall serve a transfer notice on the Company of his wish to make that transfer ("Transfer Notice").
- 31.2 In the Transfer Notice the Vendor shall specify:
- (i) the number and class of Shares he wishes to transfer (or in respect of which he wishes to transfer an interest) (the "Sale Shares");
 - (ii) the price per Share at which the Vendor wishes to transfer the Sale Shares (or the relevant interest) (the "Proposed Price");
 - (iii) any other terms relating to the transfer of the Sale Shares (or the relevant interest); and
 - (iv) whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this Article 31 (a "Total Transfer Condition").
- 31.3 Each Transfer Notice shall:

- (i) relate to one class of Share only;
- (ii) constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this Article 31;
- (iii) save as provided in Article 31.10, be irrevocable; and
- (iv) not contain or be deemed to contain a Total Transfer Condition unless the same is both expressly stated therein and permitted by these Articles.

31.4 The Sale Shares shall be offered for purchase in accordance with this Article 31 at a price per Sale Share (the "Sale Price") agreed between the Vendor and the Board acting reasonably and with Founder Consent) or, in default of such agreement by the end of the 20th Business Day after the date of service of the Transfer Notice, the lower of:

- (i) the Proposed Price; and
- (ii) if the Board so elects within that 20 Business Day period after the date of service of the Transfer Notice, the Market Value determined by the Valuer as at the date of service of the Transfer Notice.

31.5 The costs of the Valuer shall be borne between the Company and the Vendor in such proportions as the Valuer shall determine to be fair and reasonable in the circumstances or, in the absence of any such determination, by the Company and the Vendor in equal proportions.

31.6 For the avoidance of doubt, to the extent to which the Sale Price cannot be agreed between the Vendor and the Board (acting reasonably and with Founder Consent) in accordance with Article 31.4 and the Valuer is to be appointed, the terms of engagement of the Valuer shall be at the determination of the Board (acting reasonably and with Founder Consent) and shall not require the agreement of the relevant Vendor.

31.7 Any Valuer appointed under these Articles shall be considered to be acting as an expert and not as an arbitrator and its decision shall be final and binding on the parties (in the absence of fraud or manifest error).

31.8 The Board will give the Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose.

31.9 The Valuer shall be requested to reach its determination within 20 Business Days of its appointment and to notify the Board of its determination. The Board shall deliver a

copy of the determination to the Vendor (or their agent) as soon as reasonably practicable after receipt.

31.10 If the Market Value determined by the Valuer and reported by the Board is less than the Proposed Price, the Vendor may revoke the Transfer Notice by written notice given to the Board within the period of 15 Business Days after the date the Board serves on the Vendor the Board's determination of the Market Value. This Article does not apply in the case of a Deemed Transfer Notice.

31.11 The Board shall serve notice in writing offering the Sale Shares (an "**Offer Notice**") on the Founder (provided he is not the Vendor and has not become an Ordinary Share Leaver) and Mr Cowman (provided he is not the Vendor and has not become an Ordinary Share Leaver) at least 10 Business Days after and no more than 20 Business Days after the Sale Price has been agreed or determined. In the event that the Founder has become an Ordinary Share Leaver, all of the Sale Shares shall be offered to Mr Cowman. In the event that Mr Cowman has become an Ordinary Share Leaver, all of the Sale Shares shall be offered to the Founder. Where neither the Founder nor Mr Cowman has become an Ordinary Share Leaver and therefore the Offer Notice is served on both the Founder and Mr Cowman, the Founder and Mr Cowman shall only be able to competently apply for the number of Sale Shares stated in the Offer Notice served on them where each is applying to purchase the same proportion of the Sale Shares.

31.12 An Offer Notice shall expire 20 Business Days after its service and shall:

- (i) specify the Sale Price;
- (ii) contain the other information set out in the Transfer Notice; and
- (iii) invite the relevant offeree(s) to apply in writing, before expiry of the Offer Notice, to purchase the numbers of Sale Shares specified by them in their application.

31.13 After the expiry date of the Offer Notice, (or, if earlier, after valid applications being received for all the Sale Shares offered in accordance with Article 31.11), the Board shall allocate (with Founder Consent) the Sale Shares in accordance with the applications, if any, received from the Founder and Mr Cowman, subject to the other provisions of these Articles, save that

if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated between the Founder and Mr Cowman in such manner as the Board (with Founder Consent) shall think fit

- 31.14 Within 10 Business Days of the expiry date of the Offer Notice, the Board shall give notice in writing (a "Sale Notice") to the Vendor and to each person, if any, to whom Sale Shares have been allocated (each a "Purchaser") specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the total price payable for them.
- 31.15 If a Vendor fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article 31:
- (i) the Board may authorise any person (who shall be deemed to be irrevocably appointed as the attorney of that Vendor for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Vendor's behalf;
 - (ii) the Company may receive the purchase money for such Sale Shares from the Purchaser and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Purchaser as the holder of such Sale Shares;
 - (iii) the Company shall hold such purchase money in a separate bank account on trust for the Vendor but shall not be bound to earn or pay interest on any money so held;
 - (iv) the Company's receipt for such purchase money shall be a good discharge to the Purchaser who shall not be bound to see to the application of it; and
 - (v) after the name of the Purchaser has been entered in the register of Shareholders in purported exercise of the power conferred by this Article 31.15, the validity of the proceedings shall not be questioned by any person.

32. MANDATORY TRANSFERS

- 32.1 In this Article 32, a "Transfer Event" occurs, in relation to any Shareholder (and/or any person entitled to a Share in consequence of any of the following events):
- (i) if that Shareholder has a bankruptcy order made against him or is declared bankrupt by any court of competent jurisdiction; or
 - (ii) if that Shareholder makes or offers or purports to make any arrangement or composition with his creditors generally and within the following twelve months the Board resolves that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 32; or
 - (iii) if that Shareholder suffers from mental disorder and either:
 - (a) is admitted to hospital in pursuance for an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, the Mental Health (Scotland) Act 1960; or

- (b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - (iv) if that Shareholder becomes a Leaver; or
 - (v) if that Shareholder becomes an Ordinary Share Leaver.
- 32.2 Upon the occurrence of a Transfer Event, the relevant Shareholder shall be deemed to have immediately given a Deemed Transfer Notice in respect of all the Shares then held by such Shareholder (which for the avoidance of doubt in the case of a Leaver or an Ordinary Share Leaver will be the date of cessation of employment of that person).
- 32.3 For the purpose of Articles 32.2 and 32.4, any Shares that have been transferred by the such Shareholder pursuant to Article 30 (Permitted Transfers) (whether directly or by means of a series of two or more such permitted transfers) or any Shares received by way of rights or on a capitalisation by any person to whom Shares may have been transferred (directly or by means of a series of two or more permitted transfers) shall also be treated as included within the Deemed Transfer Notice.
- 32.4 A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares.
- 32.5 Notwithstanding any other provision of these Articles, and unless the Board (with Founder Consent) resolves otherwise in relation to such Ordinary Shares, any Ordinary Shares which are the subject of a Deemed Transfer Notice shall, from the date of such Deemed Transfer Notice, cease to confer the right to be entitled to receive notice of or attend or vote at, any general meeting or on any written resolution of the Company or on any written resolution of the Holders of any class of Shares and such Ordinary Shares shall not, unless notified by the Company to that Holder of Ordinary Shares (with Founder Consent) be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members or any consent under these Articles or otherwise. Such rights shall be restored to such Ordinary Shares upon the entry in the register of members of the Company of another person as the Holder of those Shares.
- 32.6 The Shares the subject of a Deemed Transfer Notice shall be offered for sale in accordance with Article 31 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Vendor the person who is deemed to have given the Deemed Transfer Notice save that:
 - (i) the Sale Shares included in any Deemed Transfer Notice shall be offered for sale in the first instance equally to the

Founder (provided he has not become an Ordinary Share Leaver) and Mr Cowman (provided he has not become an Ordinary Share Leaver). In the event that the Founder has become an Ordinary Share Leaver the Sale Shares shall be offered entirely to Mr Cowman. In the event that Mr Cowman has become an Ordinary Share Leaver the Sale Shares shall be offered entirely to the Founder. Where neither the Founder nor Mr Cowman has become an Ordinary Share Leaver and therefore the Offer Notice is served on both the Founder and Mr Cowman, the Founder and Mr Cowman shall only be able to competently apply for the number of Sale Shares stated in the Offer Notice served on them where each is applying to purchase the same proportion of the Sale Shares. If the Founder and Mr Cowman decide not to purchase the Sale Shares, then the Sale Shares shall be offered to the Company and the Company may purchase the Sale Shares so long as the Company:

- (a) has sufficient distributable reserves from which to fund the Sale Price; and
 - (b) shall not be in breach of any Financial Services Authority or other regulatory or statutory provisions by so doing.
- (ii) subject to Article 32.7 and Article 32.8, the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board (with Founder Consent) or, in default of agreement within 20 Business Days after the occurrence of the Transfer Event, the Market Value;
 - (iii) a Deemed Transfer Notice shall be deemed to contain a Total Transfer Condition and shall be irrevocable (meaning that Article 31.10 shall not apply in the case of a Deemed Transfer Notice);
 - (iv) the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date; and
 - (v) the Vendor may retain any Sale Shares for which Purchasers are not found (but for the avoidance of doubt Article 34.5 will continue to apply to such Sale Shares so retained which are Ordinary Shares); and
 - (vi) Article 33 shall apply.

32.7 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event falling within Article 32.1(iv) shall:

- (i) if the Shareholder is a Good Leaver be the higher of the par value of the Sale Shares and 90% of Market Value; and
- (ii) if the Shareholder is a Bad Leaver be 50% of Market Value.

32.8 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event falling within Article 32.1(v) shall:

- (i) if the Shareholder is a Good Leaver be the higher of the par value of the Sale Shares and 90% of Market Value; and
- (ii) if the Shareholder is a Bad Leaver be 75% of Market Value.

32.9 A dispute as to whether Article 32.7(i) or Article 32.7(ii) (or Article 32.8(i) or Articles 32.8(ii) as the case may be) applies to any Sale Shares shall not affect the validity of a Deemed Transfer Notice but any person who acquires Sale Shares (the "**Purchaser**") pursuant to a Deemed Transfer Notice while such a dispute is continuing shall pay to the Vendor the price discounted in accordance with Article 32.7(ii) (or Article 32.8(ii) as the case may be) and shall pay the amount of such discount to the Company. The Company shall hold that discount in a separate bank deposit account as trustee to pay it, and interest earned thereon, upon final determination of the dispute as follows:

- (i) to the Purchaser(s) in the case of a Bad Leaver; and
- (ii) to the Vendor in the case of a Good Leaver.

32.10 Once a Deemed Transfer Notice shall under these Articles be deemed to have been served in respect of any Share then no permitted transfer under Article 30 may be made in respect of such Share unless and until a Offer Notice shall have been served in respect of such Share and the period of allocation permitted under Article 31 shall have expired without such allocation.

33. **PROHIBITED TRANSFERS**

Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

34. **DRAG ALONG**

34.1 If the Founder, for so long as he is not an Ordinary Share Leaver, wishes to transfer all of his interest in his Shares (the "**Sellers' Shares**") to a bona fide unconnected arms length purchaser ("**Third Party Purchaser**"), the Founder shall have an option ("**Drag Along Option**") to require all the other Shareholders (the "**Called**")

Shareholders") to sell and transfer all their Shares to the Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with the provisions of this Article.

34.2 The Founder may exercise the Drag Along Option by giving written notice to that effect (a "**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify:

- (i) that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") pursuant to this Article 34;
- (ii) the person to whom the Called Shares are to be transferred;
- (iii) the terms and conditions on which the Called Shares are to be transferred;
- (iv) the consideration (cash or otherwise) for which the Called Shares are to be sold; and
- (v) the proposed date of transfer.

34.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Founder to the Third Party Purchaser within 28 days after the date of service of the Drag Along Notice. The Founder shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

34.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be the same (where the Called Shareholder is not a Leaver or an Ordinary Share Leaver) as that attributed by the offer from the Third Party Purchaser to each of the Sellers' Shares. Where the Called Shareholder is a Leaver or an Ordinary Share Leaver the consideration for which that Called Shareholder shall be obliged to sell their Called Shares shall be the lower of the consideration that is attributed by the offer from the Third Party Purchaser to each of the Sellers' Shares and the Sale Price determined in accordance with Article 32.7 (for a Leaver) or Article 32.8 (for an Ordinary Share Leaver) and, for the avoidance of doubt, where Market Value is to be used in order to determine the Sale Price in accordance with the said Article 32.7 or Article 32.8, it shall be Market Value as at the date of the cessation of employment of the Leaver or Ordinary Share Leaver.

34.5 The Called Shareholders shall be required to give the same warranties and indemnities (on a joint and several basis if required by the Third Party Purchaser) as shall be given by the Founder and shall be required to grant restrictive covenants in the same terms as may be given by the Founder to the Third Party Purchaser.

34.6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise.

34.7 The rights of pre-emption set out in these Articles shall not arise on any transfer of Shares to a Third Party Purchaser (or as he may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served.

34.8 In the event that a Shareholder does not, on completion of the sale of Called Shares execute transfer(s) in respect of all the Called Shares held by him, such Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Founder to be his agent and attorney and to execute all necessary transfer(s) on his behalf and against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as he may direct) and the Directors shall forthwith register the Third Party Purchaser (or as he may direct) as the Holder thereof and, after the Third Party Purchaser (or his nominee) has been registered as the Holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of Shares under this Article 34 that no Share certificate has been produced.

35. TAG ALONG

35.1 No sale or transfer of the legal or beneficial interest in any Shares in the Company may be made or validly agreed if such sale or transfer and registration thereof would result in a Change of Control unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the Shares in the Company at the Specified Price (calculated as set out below) subject to the requirement to provide warranties and indemnities (on a joint and several basis if required by the proposed transferee or transferees) and to grant restrictive covenants in favour of the proposed transferee or transferees. The price payable to a Leaver or Ordinary Share Leaver for those Shares held by such Leaver or Ordinary Share Leaver will be the lower of the Specified Price and the Sale Price as determined under Article 32.7 (for a Leaver) or under Article 32.8 (for an Ordinary Share Leaver) and, for the avoidance of doubt, where Market Value is to be used in order to determine price in accordance with the said Article 32.7 or Article 32.8, it shall be Market Value as at the date of the cessation of employment of the Leaver or Ordinary Share Leaver.

35.2 An offer made under this Article 35 shall be in writing, open for acceptance for at least 21 days, and shall be deemed to be rejected by any Shareholder who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase and within 30 days of the date of the offer.

35.3 In this Article 35, the expression "**Specified Price**" means:

- (i) the consideration (in cash or otherwise) per Share equal to that offered or paid or payable by the proposed transferee or his or their nominees for the Shares being acquired, plus
- (ii) the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable by the Board, plus
- (iii) all arrears and accruals of the dividends on such Shares calculated down to the date of the sale or transfer.

35.4 In the event of disagreement the calculation of the Specified Price shall be referred to the Board whose decision (with Founder Consent) shall, in the absence of manifest error, be final and binding.

36. PROCEDURE FOR DECLARING DIVIDENDS

36.1 The Company may by ordinary resolution (with Founder Consent) declare dividends, and the Directors may decide (with Founder Consent) to pay interim dividends.

36.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended (with Founder Consent) by the Directors.

36.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

36.4 Unless the Shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.

36.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. -

36.6 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

36.7 If the Directors act in good faith, they do not incur any liability to the Holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

36.8 No Leaver or Ordinary Share Leaver will be entitled to participate in any dividend.

37. CALCULATION OF DIVIDENDS

37.1 Except as otherwise provided by these Articles or the rights attached to the Shares, all dividends must be:

- (i) declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and
- (ii) apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.

37.2 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.

37.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount.

38. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

40.1 In these Articles, the "**Distribution Recipient**" means, in respect of a Share on which a dividend or other sum is payable:

- (a) the Holder of the Share; or
- (b) if the Share has two or more joint Holders, whichever of them is named first in the register of members.

40.2 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:

- (c) transfer to a bank or building society account specified by the Distribution Recipient either in writing or as the Directors may otherwise decide; or
- (d) sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's address; or
- (e) sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in writing or as the Directors may otherwise decide; or

- (f) any other means of payment as the Directors agree with the Distribution Recipient either in writing or by such other means as the Directors decide.

39. NO INTEREST ON DISTRIBUTIONS

The Company must not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:

- (a) the terms on which the Share was issued; or
- (b) the provisions of another agreement between the Holder of that Share and the Company.

40. UNCLAIMED DISTRIBUTIONS

40.1 All dividends or other sums which are:

- (i) payable in respect of Shares; and
- (ii) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

40.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

40.3 If:

- (i) 12 years have passed from the date on which a dividend or other sum became due for payment; and
- (ii) the Distribution Recipient has not claimed it,

the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

41. NON-CASH DISTRIBUTIONS

41.1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors (with Founder Consent), decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

41.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

- (i) fixing the value of any assets;

- (ii) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and
- (iii) vesting any assets in trustees.

42. WAIVER OF DISTRIBUTIONS

Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

- (i) the Share has more than one Holder; or
- (ii) more than one person is entitled to the Share for whatever reason;

the notice is not effective unless it is expressed to be given, and signed, by all the Holders or persons otherwise entitled to the Share.

43. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

43.1 The Directors may, if they are so authorised by an ordinary resolution (with Founder Consent):

- (i) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- (ii) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions.

43.2 Capitalised Sums must be applied:

- (i) on behalf of the Persons Entitled; and
- (ii) in the same proportions as a dividend would have been distributed to them.

43.3 Any Capitalised Sum may be applied in paying up new Shares of a nominal amount equal to the Capitalised Sum which are then allotted credited as fully paid to the Persons Entitled or as they may direct.

43.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the Persons Entitled or as they may direct.

43.5 The Directors may:

- (i) apply Capitalised Sums in accordance with Articles 43.3 and 43.4 partly in one way and partly in another; and
- (ii) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
- (iii) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.

44. NOTICE OF GENERAL MEETINGS

The notice of a general meeting of the Company must state:

- (i) the time and date of the meeting;
- (ii) the place of the meeting; and
- (iii) the general nature of the business to be transacted.

45. ANNUAL GENERAL MEETINGS

The Company is not required to hold an annual general meeting.

46. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

46.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

46.2 A person is able to exercise the right to vote at a general meeting when:

- (i) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- (ii) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

46.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

46.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

- 46.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

47. QUORUM FOR GENERAL MEETINGS

- 47.1 The quorum at any general meeting of the Company shall be two persons present in person or by proxy or by duly authorised representative (one of which must be the Founder for so long as he is a Shareholder and is not an Ordinary Share Leaver) save in the case the Company only has one member in which case, one member present in person or by proxy or by duly authorised representative shall be a quorum.

- 47.2 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

48. CHAIRING GENERAL MEETINGS

- 48.1 The Founder shall chair general meetings (for so long as he is a Shareholder and is not an Ordinary Share Leaver) if present and willing to do so.
- 48.2 If the Founder is unwilling/unable to chair the meeting, or is no longer a Shareholder, or is an Ordinary Share Leaver, the meeting must appoint a Director or Shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 48.3 The person chairing a meeting in accordance with this Article is referred to as the "chairman of the meeting".

49. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

- 49.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.
- 49.2 The chairman of the meeting may at the relevant meeting permit other persons who are not:
- (i) Shareholders of the Company; or
 - (ii) otherwise entitled to exercise the rights of Shareholders in relation to general meetings;

to attend and speak at such meeting.

50. ADJOURNMENT

50.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

50.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

- (i) the meeting consents to an adjournment; or
- (ii) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

50.3 When adjourning a general meeting, the chairman of the meeting must:

- (i) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
- (ii) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

50.4 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

- (i) to the same persons to whom notice of the Company's general meetings is required to be given; and
- (ii) containing the same information which such notice is required to contain.

50.5 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

51. VOTING: GENERAL

51.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.

51.2 The voting rights of the Shareholders are, subject to Article 3A.1(c) and Article 32.5, as stated in the Act.

52. VOTING: MENTAL DISORDER

If a court has appointed a person to manage the affairs of a member as a result of a mental disorder of such member, the person appointed by that court may, provided he has not less than 48 hours before the time appointed for the relevant meeting, deposited at the registered office of the Company evidence to the satisfaction of the Directors that he has authority to exercise the right to vote, attend any general meeting of the Company and vote at such meeting whether on a show of hands or on a poll.

53. ERRORS AND DISPUTES

53.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

53.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

54. POLL VOTES

54.1 A poll on a resolution may be demanded:

- (i) in advance of the general meeting where it is to be put to the vote; or
- (ii) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

54.2 A poll may be demanded by:

- (i) the chairman of the meeting;
- (ii) the Directors;
- (iii) two or more persons having the right to vote on the resolution; or
- (iv) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.

54.3 A demand for a poll may be withdrawn if:

- (i) the poll has not yet been taken; and
- (ii) the chairman of the meeting consents to the withdrawal

and such demand will not invalidate the result of a show of hands declared before the demand was made.

- 54.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs. The result of the poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.
- 54.5 A demand for a poll does not prevent a general meeting from continuing except as regards the question on which the poll was demanded.
- 54.6 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken.

55. CONTENT OF PROXY NOTICES

- 55.1 Proxies may only validly be appointed by a notice in writing (a "Proxy Notice") which:
- (i) states the name and address of the Shareholder appointing the proxy;
 - (ii) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
 - (iii) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - (iv) is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.
- 55.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 55.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 55.4 Unless a proxy notice indicates otherwise, it must be treated as:
- (i) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

- (ii) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

56. DELIVERY OF PROXY NOTICES

- 56.1 Any notice of a general meeting must specify the address or addresses ("**Proxy Notification Address**") at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- 56.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 56.3 Subject to Articles 56.4 and 56.5, a proxy notice must be delivered to a Proxy Notification Address not less than 48 hours before the general meeting or adjourned meeting which it relates. A Proxy Notice which is not delivered in such manner shall be invalid unless the Directors in their absolute discretion accept the Proxy Notice at any time before the meeting.
- 56.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll.
- 56.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered:
 - (i) in accordance with Article 56.3; or
 - (ii) at the meeting at which the poll was demanded to the chairman, Company secretary or any Director.
- 56.6 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
- 56.7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 56.8 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the Appointor's behalf.

57. AMENDMENTS TO RESOLUTIONS

57.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

- (i) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
- (ii) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

57.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

- (i) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- (ii) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

57.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

58. NOTICES AND COMMUNICATION

58.1 The Company may send, supply or give any document, information or notice to a Shareholder by hard copy, electronic form, in each case subject to the provisions of sections 1143 to 1148 and Schedule 5 of the Act.

58.2 Any document, information or notice which is required to be sent or given to the Company shall be sent by hard copy or electronic form in each case, subject to the provisions of sections 1143 to 1148, Schedule 4 and Schedule 5 of the Act.

58.3 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:-

- (i) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside

the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

- (ii) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (iii) if properly addressed and sent or supplied by electronic means, at the time the document or information was transmitted, sent or supplied; and

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day.

58.4 Proof that an envelope containing a document, notice or information was properly addressed, prepaid and posted shall be conclusive evidence that the document, notice or information was sent, supplied or given by post. A comprehensive transaction report or log generated by fax machine, suitably certified by or on behalf of the Company, shall be conclusive evidence that a document, notice or information was sent, supplied or given by fax. A copy of a record of the total number of recipients sent to or each recipient to whom an e-mail message was sent together with any notices of failed transmissions and copies of records of subsequent re-sending, suitably certified by or on behalf of the Company, shall be conclusive evidence that the document, notice or information was sent, supplied or given by e-mail.

58.5 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

58.6 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

58.7 Any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

59. WRITTEN RESOLUTIONS

59.1 A resolution of the Shareholders (or a class of Shareholders) may be passed as a written resolution in accordance with Chapter 2 of Part 13 of the Act.

- 59.2 A proposed written resolution lapses if it is not passed before the end of the period of 28 days beginning with the circulation date (as defined in section 290 of the Act).

60. ACCOUNTS

- 60.1 The Directors shall cause accounting records to be kept sufficient to disclose the financial position of the Company at any time with reasonable accuracy in accordance with section 386 of the Act.
- 60.2 The account records shall be kept at the registered office or, subject to the Act, at such other place or places as the Directors shall think fit.
- 60.3 The Board shall from time to time, cause to be prepared and to be sent to every Shareholder of the Company (excepting any Shareholder who has become a Leaver or Ordinary Share Leaver), every holder of the Company's debentures and every person who is entitled to receive notice of general meetings (excepting any Shareholder who has become a Leaver or Ordinary Share Leaver), such profit and loss accounts, balance sheets, group accounts (if any) and reports as required under the Act.

61. NO RIGHT TO INSPECT ACCOUNTS OR OTHER RECORDS

Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

62. AUDIT

In the event that it is required by law, auditors shall be appointed and the accounts of the Company shall be audited and the duties of the auditors shall be regulated in accordance with section 498 of and otherwise in accordance with the Act.

63. DATA PROTECTION

Each of the Shareholders and Directors of the Company (from time to time) consents to the processing of their personal data by the Company, its Shareholders and Directors (each "a Recipient") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually. The personal data which may be processed for such purposes under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Subject to any confidentiality undertakings given to them by the Recipient, each of the Company's Shareholders

and Directors (from time to time) consents to the transfer of such personal data to persons acting on behalf of any Recipient and to the officers of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

64. RESERVES

The Directors may set aside out of the profits of the Company, before recommending any dividend, such sums as they (with Founder Consent) think proper as a reserve or reserves which shall be applicable, at the discretion of the Directors (with Founder Consent), for any purpose to which the profits of the Company may be applied properly, and, pending such application, may at the like discretion (with Founder Consent), either be employed in the business of the Company, or be invested in such investments, as the Directors (with Founder Consent) from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

65. TRANSMISSION OF SHARES

65.1 If title to a Share passes to a Transmitttee the Company may only recognise the Transmitttee as having any title to that Share.

65.2 A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require:

- (i) may, within 28 clear days of written notice to that effect, choose either to become the Holder of those Shares or to have them transferred to another person (and if no choice is made by the Transmitttee, he shall be deemed to have elected to become the Holder of those Shares); and
- (ii) pending any transfer of the Shares to another person, has the same rights as the Holder had save that the Transmitttee does not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which he is entitled, by reason of the Holder's death or Bankruptcy or otherwise, unless he becomes the Holder of those Shares.

65.3 Article 29 shall apply to the notice referred to in Article 65.2(i) as if it were an instrument of transfer executed by the member and the event resulting in title to the Share passing to the Transmitttee had not occurred.

66. EXERCISE OF TRANSMITTEE'S RIGHTS

- 66.1 Transmitters who wish to become the Holders of Shares to which they have become entitled must notify the Company in writing of that wish.
- 66.2 If the Transmitter wishes to have a Share transferred to another person, the Transmitter must execute an instrument of transfer in respect of it.
- 66.3 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the Transmitter has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

67. TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a Shareholder in respect of Shares and a Transmitter is entitled to those Shares, the Transmitter is bound by the notice if it was given to the Shareholder before the Transmitter's name or the name of the person nominated under Article 66.2 has been entered in the register of members. For the avoidance of doubt this includes a Deemed Transfer Notice.

68. FRACTIONAL ENTITLEMENTS

- 68.1 If, on any consolidation and division or sub-division of Shares, Shareholders are entitled to fractions of Shares, the Directors (subject to Founder Consent) may:
- (i) sell the Shares representing the fractions to any person (including the Company) (with Founder Consent) for the best price reasonably obtainable; and
 - (ii) distribute the net proceeds of sale in due proportion among the Shareholders.
- 68.2 Where any Shareholder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.
- 68.3 The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- 68.4 The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

69. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

70. INDEMNITY AND INSURANCE

70.1 Subject to Article 70.2, but without prejudice to any indemnity to which he is otherwise entitled, a Relevant Director may be indemnified out of the Company's assets against:

- (i) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company; and/or
- (ii) any other liability incurred by that Director as an officer of the Company or an associated company.

70.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

70.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.

70.4 In this Article:

- (i) a "**Relevant Director**" means any Director or former Director of the Company or an associated Company;
- (ii) a "**Relevant Loss**" means any loss or liability which has been or may be incurred by a Relevant Director in connection with that Director's duties or powers in relation to the Company, any associated Company or any pension fund or employees' share scheme of the Company or associated Company; and
- (iii) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

71. WINDING UP

In the winding up or in connection with the dissolution otherwise of the Company or any part of its assets, including any shares in or securities of other companies, may be divided, with the sanction of a special resolution, among the members in specie, or, with the like sanction, may be vested in trustees for the benefit of the member, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets whereon there is any liability.